

# THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

United States Department of the Treasury



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## **\$12 MILLION AWARDED TO ORGANIZATIONS FOR WORK IN ECONOMICALLY DISTRESSED COMMUNITIES**

Washington, D.C. – Arthur A. Garcia, Director of the Treasury Department's Community Development Financial Institutions (CDFI) Fund announce today that approximately \$12 million has been awarded to 94 community-based organizations across the country that provide critically needed financial products and services to economically disadvantaged people and communities. These awards are being made through the fiscal year 2005 round of the Technical Assistance (TA) Component of the CDFI Program, and through the Bank Enterprise Award (BEA) Program.

Specifically, the CDFI Fund announced that a total of \$2,052,420 is being awarded to 41 organizations under the TA Component of the CDFI Program. Through the TA Component, the CDFI Fund provides grants to CDFIs, and entities proposing to become CDFIs, in order to build their capacity to better address the community development and capital needs of the communities they serve. CDFIs are specialized community-based financial institutions that are able to respond to gaps in their local markets. The TA grants these CDFIs are being awarded can be used to purchase needed computer hardware or software, obtain consulting services (i.e. to help develop loan policies) or to pay for the training of staff, to mention a few.

The CDFI Fund also announced that a total of \$9,896,217 is being awarded to 53 financial institutions under the its Bank Enterprise Award (BEA) Program. The BEA Program was created to provide an incentive to FDIC-insured banks and thrifts to annually increase either their investment in to certified CDFIs; increase the level of financing and services in economically distressed communities, such as opening new savings accounts, providing home mortgage loans or investing in local small businesses; or both.

The CDFI Fund improves the economic and living conditions of underserved communities by strengthening the financing, capacity, and sustainability of a nationwide network of regulated and non-regulated financial institutions serving our nation's low-income communities. The Fund's mission is to expand the capacity of these institutions to provide capital, credit and financial services to underserved populations and communities in the United States. Its vision is an America in which all people have adequate access to affordable capital, credit and financial services.

For more information about these awards, or about the CDFI Fund and its programs, please visit the Fund's website at: <http://www.cdfifund.gov/>.